



**STRATEGY
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CONTRACTOR SUPPORT ON THE BATTLEFIELD

BY

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ABSTRACT

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New types of threats are constantly emerging in this rapidly-changing, global military and economic environment. At the same time, the revolution in business affairs occurring within the Department of Defense (DoD) brings with it major impacts on the warfighter. One significant impact is in the area of increased reliance on contractor support, with changes both in the magnitude and the nature of that support.

Contractors now provide many of the functions that were previously performed by military personnel, ranging from traditional base operations support to maintaining sophisticated weapons systems. This transition has occurred as a result of globalization and expansion of U.S. interests abroad, with a concurrent increase in military operating tempo (OPTEMPO). Furthermore, transformation dictates that the military must have the capability to deploy quickly and decisively, with the optimum tooth-to-tail ratio, while complying with established troop limitations set by Congress or host nations. Other factors have exacerbated the situation—deep cuts in DoD personnel and budgets, the Congressional push to privatize functions that can be accomplished outside the military, and new technology and complex weapons systems that have found their place on the battlefield.

Contractors on current and future battlefields create a host of challenges for the commander. This paper chronicles the historical perspective of contractor support to the military. It reviews policy and doctrine and examines critical DoD issues and risks in light of the movement to contract out more, not less—and differently—in the future. Lastly, the paper looks to the future and identifies a course of action to legitimize contractors as an integral piece of the Total Force, augmenting existing DoD force structure and creating a seamless partnership between contractors and the military.

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CONTRACTOR SUPPORT ON THE BATTLEFIELD

The Revolution in Military Affairs (RMA) has been accompanied by a Revolution in Business Affairs (RBA), with DoD adopting many commercial business practices to streamline the bureaucracy and eliminate redundant processes. One business practice that has received increasing emphasis is that of contractor support to the military.

While civilian contractors have supported the military throughout history, the current scope and critical nature of that support are unprecedented. This transition has been driven by globalization and the expansion of U.S. interests abroad, which have significantly increased the OPTEMPO of the military. Transformation of the military further dictates that it should have the capability to deploy quickly and efficiently. Reliance on contractors is one means of extending force capability, projecting the warfighters more expeditiously, and achieving the optimum tooth-to-tail ratio. In many instances, the military is obliged to comply with established troop limitations set by Congress or host nations; hiring contractors allows the military to maximize its warfighting capabilities and task contractors to provide required technical and logistical support.

The current situation has been exacerbated by the deep cuts in DoD civilian and uniformed personnel and the Congressional push to privatize functions that can be accomplished outside the military. New technology and complex weapons systems are effective force multipliers, but if the military has no organic capability to maintain or, in some instances, operate these systems, the only logical choice is contractor support. A final consideration is the renewed interest on homeland security and the war on terrorism. The terrorist attacks on the World Trade Center in New York City and the Pentagon in Washington, D.C. on September 11, 2001 had a profound impact on how Americans view homeland security and the military mission itself, which has expanded to include military deployments to Afghanistan and other countries harboring terrorists. The ongoing war on terrorism will further tax the military's reduced force structure and aging weapons systems. Once again, contractors may augment existing military capabilities, present alternative sources of supplies and services, and provide capabilities where none currently exist in the military.

Contractors on today's and future battlefields create a host of challenges for the commander, especially in the face of escalating deployments and asymmetric threats. New technology and weapons systems employed on the battlefield have blurred battlefield distinctions, and commanders can send contractors virtually anywhere in the area of operations where they are needed. This latitude is a double-edged sword, because the commander also has the responsibility to manage, deploy, sustain, and protect contractors.

This paper chronicles the historical perspective of contractor support to the military and how that support has evolved over time. It reviews the policy and doctrine governing contractor support and the associated issues and risks in light of the movement to contract out more, not less—and differently—in the future. Lastly, the paper looks to the future and identifies a course of action to legitimize contractors as an integral piece of the Total Force, augmenting existing military and DoD civilian capabilities. The desired end state would be a seamless partnership between contractors and the military to mitigate risk and ensure full support of all DoD systems.

HISTORICAL PERSPECTIVE

Civilian contractors, in the capacity of noncombatant personnel, have always provided logistical and other specialized support to the military. This support can be documented as far back as the sixteenth century, when commanders, realizing they needed to supply their armies with more than they could plunder, paid sutlers to furnish the military with at least the most elementary needs, including food, fodder, arms, and sometimes clothing.¹ Contractor support has been documented consistently throughout U.S. military operations, from General Washington's Continental Army to today's war on terrorism.

The following table provides a summary of contractor/civilian support, military personnel deployed, and the ratio of civilians to military for various wars and conflicts throughout U.S. history.² It is important to note that, prior to the Korean conflict, a distinction was not made between contractors and other civilian support; beginning with Korea, the literature began drawing the distinction between contractors and civilians.

War/Conflict	Civilians	Military	Ratio
Revolution	1,500 (Est)	9,000	1:6 (Est)
Mexican/American	6,000 (Est)	33,000	1:6 (Est)
Civil War	200,000 (Est)	1,000,000	1:5 (Est)
World War I	85,000	2,000,000	1:20
World War II	734,000	5,400,000	1:7
Korea	156,000	393,000	1:2.5
Viet Nam	70,000	359,000	1:6
Persian Gulf War	5,200	541,000	1:100
Rwanda/Somalia/Haiti	No records kept	N/A	N/A
Balkans	5,000-20,000	(Varied) 20,000	Up to 1.5:1

During the American Revolution, the U.S. Army employed contractors for a variety of tasks, including driving wagons to transport food and supplies; obtaining food; and providing carpentry services, medical support, and other logistical tasks. Another area where the military

has come to rely on civilian support is communications, from telegraphs during the Civil War to satellite communications today. Such contractor support allowed soldiers to focus on their warfighting responsibilities and relieved them of performing logistical tasks that were perceived by many as demeaning.

Reliance on contractor support continued during the War of 1812, the Civil and Spanish American Wars, and the Korean and Viet Nam conflicts. During the Civil War, draft exemptions were provided for teamsters as an incentive to encourage them to drive wagons for the military. Teamsters were not only hard to find but they were often recalcitrant employees, especially toward the end of the war, when the tendency among commanders was to replace civilian drivers with soldiers who could not resign or disobey orders.³ When problems with contractors arose, commanders had the luxury of turning these tasks over to soldiers, who had the necessary skills to back up contractors and perform their tasks. The general policy relating to the employment of contractors was, "The closer the function came to the sound of battle, the greater the need to have soldiers perform the function because of the greater need for discipline and control."⁴

In Viet Nam, the military's relationship with contractors began to change, and Business Week magazine referred to Viet Nam as a "war by contract."⁵ Civilian contractors became an integral part of logistical capabilities within zones of operation in Viet Nam and provided a broader spectrum of duties, including base operations, water and ground transportation, petroleum supply, and maintenance and technical support of complex military equipment. Contractors assumed responsibility for a number of engineering projects, including construction of the Cam Rahn Bay facilities, and they provided surveillance at a radar facility. The military employed a diverse number of contractors under a variety of contractual arrangements, and contractors were no longer relegated to providing primarily logistic support; they were becoming specialists in the tools of war, and this trend continues today.

In the Persian Gulf, some 5,200 contractor employees were assigned with the 541,000 troops who fought in there, which equates to one contractor for every 100 or so service members. Many of these contractors actually deployed with the troops. Again, the contractor role was diverse and included a full spectrum of support. Contractors provided hazardous waste disposal and custodial services; built fences, personnel bunkers, and guard facilities; and provided resupply via FedEx. They supported Army tracked and wheeled vehicles; nuclear, biological and chemical equipment; TOW and Patriot missiles; and ensured that the military's multi-million dollar weapons systems functioned properly in the harsh desert environment.⁶

The end of the Cold War ushered in an expanded role for the military and, consequently, for those contractors providing support functions. The military began responding to a variety of smaller scale contingencies (SSC) and supporting military operations other than war (MOOTW), with contractors supporting virtually all of these operations. No records were maintained to show the participation of civilians and contractors in operations in Somalia, Rwanda, or Haiti, but despite the lack of numbers, the trend is unmistakable—as more and more functions have been transferred to the private sector through competitive sourcing, privatization, and changed business practices, reliance on contractors in all functional areas has increased. Perhaps what is even more significant is that the requirements of warfare and the weapons systems employed have altered the scope and significance of the support tasks that contractors provide.

A final observation is that the contracts themselves have changed. Rather than awarding myriad contracts that are labor intensive in terms of administration and oversight, the current trend is for larger, more comprehensive service contracts to support the military around the world. One such service provider is Brown and Root, a long-time defense contractor that has deployed employees to Bosnia, Kosovo, Macedonia, Hungary, Albania, Croatia, Greece, Somalia, Zaire, Haiti, Southwest Asia, and Italy, supporting Army contingency operations since 1992.

Brown and Root, a Houston-based contractor, was first used in Somalia, where it built and maintained Army base camps. Two years later, it built bases and provided other support to approximately 18,000 troops in Haiti.⁷ While early contingency operations demonstrated the value of contractor support to the military, the U.S. deployment to the Balkans in 1995 marked the turning point when contractors became an integral part of the post-Cold War battlefield.

One in 10 Americans deployed for NATO peacekeeping operations in Bosnia was a civilian, but it is important to note that these were civilians who deployed with the troops. At one point, the Army uniformed presence was 6,000, supported by, 5,900 civilian contractors.⁸ While both the contractor and military numbers have varied over time, the extent of contractor support is remarkable. Brown and Root has employed between 5,000 and 20,000 contractors in the Balkans to build and operate bases and perform dozens of other functions for as many as 20,000 soldiers carrying out peacekeeping operations.⁹ The ratio has averaged about one and one-half contractors for every soldier, with Brown and Root providing the military a complete array of services, from meals to spare parts under the largest logistics contract yet awarded in the rapidly growing market for supporting soldiers overseas.

When the initial Brown and Root contract expired, the Army awarded the Balkans Sustainment Contract. This five-year contract, valued at \$2.2 billion, has been dubbed “the

mother of all service contracts" by the Contract Services Association of America, a government contractors association in Washington.¹⁰

In 1997, the Army awarded a separate, five-year contract to DynCorp of Reston, Virginia, for contingency operations outside the Balkans. The focus of this contract is primarily planning for contingency operations. DynCorp has deployed contractors to provide support in East Timor and, more recently, in Central Asia for anti-terrorism operations.

In December, 2001, the Army announced that Brown and Root had been awarded a 10-year contract for worldwide contract support.¹¹ Brown and Root continues to support the military in the Balkans and other locations, most recently with the building of a permanent detention center at Camp X-Ray in Guantanamo Bay, Cuba.

Today, contractors provide the U.S. military with a full spectrum of support, including food, laundry, sanitation, shower service, security, recreation, translator services, terminal and base camp operations, water and power production, and medical service support.¹² With the military's employment of more sophisticated weapons systems, the contractor's role has expanded to include maintenance and other technical support for these systems. An increasing number of civilian contractors can be found in-theater supporting not only logistics but combat operations as well.

Camp Bondsteel in Kosovo provides a real life example of how pervasive contractor support has become. Camp Bondsteel is the Army's largest base in the Balkans, where Brown and Root personnel function as the umbilical cord for the 3,600 soldiers stationed there. A contractor employee meets soldiers coming off airplanes to tell them where to pick up their gear and the location of their barracks. In addition, Brown and Root built nearly 200 dormitory style barracks in less than 90 days, provides 600,000 gallons of water a day, generates enough electricity to sustain a city of 25,000 people, runs a supply center with about 14,000 product lines, washes 1,200 bags of laundry, cooks more than 18,000 meals a day, and operates more than 95 percent of the Army's transportation, including rail lines and airfields.¹³

WHY USE CONTRACTORS?

With the Cold War over, the U.S. role has greatly expanded. Ethnic strife, regional instability, crime, narcotics, terrorism, famine, environmental degradation, fanaticism, and rogue regimes with mass destruction capabilities have taken the place of the communist threat.¹⁴

The following major factors have contributed to an increased reliance on contractors: Globalization and expansion of U.S. interests abroad; a concurrent increase in military OPTEMPO; the requirement under military Transformation to deploy quickly and efficiently;

deep cuts in DoD personnel and budgets; the push to privatize functions that can be accomplished outside the military; a growing reliance on contractors to maintain increasingly sophisticated weapons systems; and, lastly, the need to provide flexibility in the face of congressional, executive branch, or host-country mandated troop ceilings.

GLOBALIZATION AND EXPANSION OF U.S. INTERESTS

Globally, as a result of more porous borders, rapidly changing technology, greater information flow, and the potential destructive power within the reach of smaller states, groups, and individuals, the U.S. is confronting new threats that pose strategic challenges to American interests and values.¹⁵ The Nation's blueprint for a strategy of engagement—adapting alliances; encouraging the reorientation of other states, including former adversaries; encouraging democratization, open markets, free trade, and sustainable development; preventing conflict; countering potential regional aggressors; confronting new threats; and steering international peace and stability operations—requires it to transform its capabilities and organizations to meet a widening array of new threats.¹⁶

The U.S. military is charged with fulfilling a multitude of challenges during this accelerated globalization process; yet, it runs the risk of being spread too thin and geographically dispersed around the world because of its reduced force structure. Contractor support is one means of extending military capabilities and circumventing Congressionally-mandated ceilings.

INCREASED MILITARY OPTEMPO

The Army has deployed troops on 36 occasions compared to 10 deployments during the 40-year Cold War.¹⁷ In the aftermath of the Cold War, the U.S. military mission has expanded to include SSCs and MOOTW, resulting in an unprecedented number of deployments. . In September, 2000, former Secretary of Defense Dick Cheney discussed the over-committed and under-resourced military, stating, "Over the last decade, commitments worldwide have gone up by 300 percent, while our military forces have been cut 40 percent."¹⁸

Specifically, the Army has been tasked to provide support for domestic operations, including flood and other disaster response; fire fighting; support to civilian law; counterdrug operations; community support; and assume a primary role for homeland security and combating terrorism. The Army has been instrumental in providing foreign humanitarian assistance in Rwanda, Venezuela, Costa Rica, Salvador, East Timor, Somalia, Haiti, and other countries. Another focus has been stability operations abroad (peacekeeping/enforcement, security assistance) in Bosnia, Kosovo, Korea, Somalia, Haiti; Sinai (UN missions) show of force exercises; counterdrug operations; combating terrorism; and noncombatant evacuation

operations (NEO). A final focus has been in the area of offensive and defensive combat operations, such as Desert Storm, Somalia, and Afghanistan.

TRANSFORMATION, WITH AN EMPHASIS ON SPEED AND EFFICIENCY

While the threat of nuclear war has diminished, the U.S. still faces a number of uncertainties that pose serious threat to America's security. Principal among these are regional dangers, asymmetric challenges, transnational threats, and "wild cards."¹⁹ This reality became even more pronounced following the September 11th terrorist attacks on U.S. soil. The U.S. will have less time to respond to future threats, making speed and adaptability paramount for both its operating forces and those organizations that support them with technology development, equipment and systems acquisition, and workforce planning.

The 2001 Quadrennial Defense Review (QDR), a planning and budget document that is updated every four years, articulates the interdependency of nations and how America's security is linked directly to that of other nations. U.S. military strength is essential to maintaining U.S. political, diplomatic, and economic leadership, and to that end, the military must transform to enable it to respond with maximum speed across a broad range of conflict scenarios. Joint Vision (JV) 2020 carries forth the ideas in JV 2010 and emphasizes innovation and forming a vision for integrating doctrine, tactics, training, supporting activities, and technology into new operational capabilities.²⁰ The military must explore changes in doctrine, organization, training, materiel, leadership and education, personnel, and facilities as well as technology to create tailored forces capable of deploying rapidly, with unmatched speed and agility, from widely-dispersed locations to achieve operational objectives quickly and decisively.²¹

The changed world environment and military mission, coupled with increased OPTEMPO, reduced force structure, and limitations imposed on troop strength are all factors that make the military's reliance on contractors a requirement, not a luxury or "nice-to-have" plus-up to force structure. The bottom line is that contractors are capable of performing duties previously performed by troops and of functioning as force multipliers, thus freeing up thousands of on-the-ground troops for peacekeeping, humanitarian and other operations. In addition, innovative use of contractors have the potential to maximize capabilities, offset military shortfalls, and contribute to optimum tailoring of the force mix.

REDUCTIONS IN U.S. FORCE STRUCTURE

This trend of increased reliance on contractors is occurring out of necessity, reinforced by the major reductions that have occurred in U.S. forces. In 1989, DoD had 2.2 million active duty

military personnel, 1.2 million selected reserve personnel organized into units, and 1.1 million civilians working for the military departments and defense agencies.²² Between 1989 and 1999, the numbers of active-duty military personnel and DoD civilians were reduced by 748,000, or 34 percent.²³ Because the Army has taken the largest share of personnel cuts and has the greatest role in recent peacekeeping missions, it finds itself relying most heavily on civilians.²⁴

The magnitude of the reductions is illustrated by the changes to major elements of the force structure--the number of active Army divisions decreased from 18 to 10, with 111 combat brigades reduced to 63. The number of battle force ships in the Navy went from 577 to 317, and the number of fighter-wing equivalents in the Air Force declined from 37 to 20.²⁵

The National Guard and Reserve have experienced similar drawdowns. They were cut 26 percent between 1989 and 1999, but among the individual reserve components, the percentages varied significantly. The Army Reserve and Navy Reserve experienced the largest cuts of 36 percent and 41 percent, respectively, while the Army National Guard was reduced 22 percent; the other reserve components were less affected.²⁶

PRIVATIZATION AND OUTSOURCING OF FUNCTIONS

The RMA has been made possible by the marked increase in technological capability of U.S. industry over the last two decades. The RBA supports the RMA by encouraging innovation and experimentation among various approaches, operational concepts, structures, and technologies, fusing operating forces and support organizations into a streamlined, unified system for delivering military capabilities.

Implementing the RBA is a task of major proportions, and a number of studies have provided the underpinnings for change within DoD. A 1980 book by Jacques Gansler called for more tightly integrating military and commercial industrial bases to remedy the increasing inefficiencies of the defense companies relative to commercial industry. In 1986, the Blue Ribbon Commission on Defense Management, also known as the Packard Commission because it was chaired by former Deputy Secretary of Defense David Packard, highlighted the need for DoD to expand its use of commercial products and processes.²⁷ Other reform initiatives followed. In 1995, the Report of the Commission on Roles and Missions (CORM) of the Armed Forces presented a lengthy analysis of problems associated with DoD's support establishment and management practices. Recent DoD reform efforts have been sequestered under the rubric of the Defense Reform Initiative (DRI) released in November, 1997, which provides a strategic blueprint for DoD to adopt business practices within four areas.²⁸

- Reengineering and adoption of modern business practices to achieve world-class standards of performance;
- Consolidating or streamlining organizations to remove redundancies and maximize synergy;
- Competing or applying market mechanisms to improve quality, reduce costs, and respond to customer needs; and
- Eliminating excess support structure to free up resources and focus on its core competencies.

To this end, DoD must define core competencies in the context of its public mission; it is the provider of a fundamental public service, the nation's international security. Those who carry out such core missions as joint military operations, combat operations, and combat support operations, should be government employees. However, many of DoD's functions are not core missions and their execution does not require special public trust and confidence; these functions can be accomplished by people outside the DoD.²⁹ If DoD focuses on its core competencies and collaborative partnerships, significant advantages can be achieved, such as reducing cost, promoting performance and innovation internally and in outsourced activities, encouraging flexibility in staffing, and attracting and retaining talented DoD and contractor personnel.

DoD's 1997 QDR states that DoD must examine the best opportunities to privatize and outsource noncore activities. DoD must exploit the RBA by, "...outsourcing and privatizing a wide range of support activities when the necessary competitive conditions exist..."³⁰

The 2001 QDR states that DoD will assess all of its functions to separate out core and non-core functions. The test will be whether functions are directly necessary for warfighting, and they will be divided into three broad categories:³¹ Functions that are directly linked to warfighting and best performed by the Federal government; functions indirectly linked to warfighting capability whose performance must be shared by public and private sectors; and, lastly, those functions not linked to warfighting and best performed by the private sector. For this last category of functions, DoD will seek to privatize or outsource entire functions or define new partnering efforts with private firms or other public entities.

The mandates of the civilian leadership and the American public are also pushing the military toward increased contractor support. 'Reinventing Government,' acquisition reform, and other related initiatives under the Clinton administration encouraged a more streamlined and

efficient military. In response to these initiatives, the military adopted and pursued the goals of delivering world-class services, fostering partnerships with the private sector, and internal reinvention to include empowerment of employees and streamlining operations.

Increased legislation also contributed to escalating contracting-out decisions. It has always been the Federal government's policy that it should not compete with its citizens, and the competitive enterprise system has been considered to be the primary source of national economic strength. To that end, the Federal government has relied on commercial sources to supply the products and services that it needs. This national policy was initially established through Bureau of the Budget Bulletins issued in 1955, 1957, and 1960, with the Office of Management and Budget Circular No. A-76 issued in 1966 and revised periodically thereafter.³²

The Federal Activities Inventory Reform (FAIR) Act passed in 1998 requires an annual review of all Federal positions to determine whether they perform functions that are inherently governmental or functions considered commercial in nature. An inherently governmental function is a function which is so intimately related to the public interest as to mandate performance by government employees. Consistent with the definitions provided in the FAIR Act of 1998 and Office of Federal Procurement Policy (OFPP) Policy Letter 92-1, these functions include those activities which require either the exercise of discretion in applying government authority or the use of value judgment in making decisions for the government and normally fall into two categories:³³

1. *The act of governing*, or the discretionary exercise of governmental authority. Examples include criminal investigations, prosecutions and other judicial functions; management of programs requiring value judgments, such as the direction of the national defense; management and direction of the Armed Services; activities performed exclusively by military personnel who are subject to deployment in a combat, combat support or combat service support role; conduct of foreign relations; selection of program priorities; direction of Federal employees; regulation of the use of space, oceans, navigable rivers and other natural resources; direction of intelligence and counter-intelligence operations; and regulation of industry and commerce, including food and drugs.
2. *Monetary transactions and entitlements*, such as tax collection and revenue disbursements; control of the Treasury accounts and money supply; and the administration of public trusts.

While this definition of inherently governmental is fairly precise, it clearly allows for many governmental functions to be performed by contractor personnel. This also holds true for the

test for core and non-core functions as specified in the 2001 QDR; only those functions directly linked to warfighting capability must be performed by government personnel. The 2001 QDR further suggests that the contractor-to-soldier ratio will continue to rise and that contracting out battlefield services will become as common as hiring private companies to build tanks. According to the QDR, "Only those functions that must be done at DoD should be kept at DoD."³⁴ Over time, most private sector firms have moved away from providing most of their own services. Such a move on the part of DoD will require a major culture change.

LEADING-EDGE TECHNOLOGY AND SOPHISTICATED WEAPONS SYSTEMS

As a result of rapid technological development, the military now relies on cutting edge weapons systems that are complex to maintain and operate. Until fairly recently, the DoD philosophy was to retain organic support for new weapons systems as soon as possible after the systems were fielded to ensure that the military was self-sufficient and that it did not rely too heavily on contractor support. DoD Directive 1130.2, Management and Control of Engineering and Technical Services, required the military to maintain and operate new systems and limited the use of contractor field service to 12 months. That directive is now obsolete, and Congressional language mandates that all new weapons systems shall be maintained and repaired by contractors, with timeframes established depending on whether systems are critical or noncritical systems. In addition to the Congressional push to use contractors, the military's reliance on contractors can be reduced to an issue of cost and constrained budgets; it is simply not cost effective for the military to train soldiers to troubleshoot or employ certain systems, which forces the military to use contractors during fielding or for life cycle maintenance.

CONGRESSIONALLY-MANDATED CEILINGS

The number of troops deploying for various military operations is frequently established by Congressional or host-nation country limitations. For example, during Viet Nam, there were more than 80,000 contractor personnel supporting the military that did not count against the troop ceilings set by President Johnson; and, in Bosnia, contractor personnel augment the U.S. military in forward locations above the congressional limit of 20,000 U.S. troops. Circumventing the troop limitation with the use of contractors is politically expedient, a virtual necessity in light of the active-duty uniformed personnel cuts, and makes deployments more politically palatable because contractors serve to reduce the size of U.S. troop commitments. To preserve as many combat positions as possible, the services have turned over many of the support jobs to Defense civilians and private contractors.³⁵

Larry Korb, Assistant Secretary of Defense for Manpower during the Reagan Administration, noted that, "When you're sending in forces, everybody's obsessed with the number of troops deploying."³⁶ Contractors offset the military strength and make up the difference, although this reliance brings with it many issues for both military and contractor personnel. Military personnel must be tactically and psychologically prepared to deal with and accommodate civilians in military operations. Contractors must know their rights and responsibilities on the battlefield, in the event they are captured or killed. These details are determined by their employer's contract with DoD and applicable international agreements between the U.S. and other governments.³⁷

POLICY AND DOCTRINE

The use of contractors is no longer an adjunct, *ad hoc* plus up of manpower to supplement existing capability. Contractor support has increased in importance and is now an essential, vital part of U.S. force projection capability. This reliance has raised many issues regarding the legal status of contractors on the battlefield—whether contractor personnel can bear arms and wear uniforms, where they should be located on the battlefield, and what functions they can perform.³⁸

Several laws and regulations (joint, DoD and service publications) govern the use of civilian and contractor personnel but they tend to specify only certain categories of personnel and address issues in very broad terms. Title 10, Section 129a of the U.S. Code authorized the Secretary of Defense to use civilian contracting if it is financially beneficial and consistent with military requirements. DoD Directive 1100.4, Guidance for Manpower Programs, addresses use of civilian personnel in positions where military personnel are not required, and DoD Directive 1404.10, Emergency-Essential DoD U.S. Citizen Civilian Employees, governs the emergency essential program for calling up DoD civilians for overseas deployment under emergency conditions.³⁹

A major oversight of these regulations is that they do not prepare civilian contractor personnel for deployment. A Rand study in 1994 reported that there has never been a central policy for deploying contractors, and it was only after the Persian Gulf War that the Army Mobilization Operations Planning and Execution System was modified to include references to deploying contractor personnel.⁴⁰

The Army has developed and published doctrine and policy for using contractor support in Army operations. These publications include:

- Army Regulation (AR) 715-9, Contractors Accompanying the Force, 29 October 1999.

- Field Manual (FM) 100-10-2, Contracting Support on the Battlefield, 4 August 1999.
- FM 100-21, Contractors on the Battlefield, 26 March 2000.

The two FMs define three types of contractors.⁴¹

The first type is the theater support contractor who supports deployed operational forces under prearranged contractors or contracts awarded from the mission area by contractors serving under the direct contracting authority of the theater principal assistance responsible for contracting (PARC). They provide goods, services, and minor construction, usually through local vendors to meet the immediate needs of the commander.

The second is the external support contractor who provides support to deployed operational forces that is distinct from theater support or that support delivered by system contractors. The external support contractor may perform in accordance with prearranged contracts or contracts awarded during the contingency itself. The contracting officers who award and administer external support derive their contracting authority from PARCs external to the theater.

The third type of contractor is the system contractor. The system contractor supports deployed operational forces under prearranged contracts awarded by program executive officers, program managers, and the Army Materiel Command. This contractor provides specific support to vehicles, weapons systems, aircraft, command and control infrastructure, communications equipment and other materiel systems throughout their life cycle, during both peacetime and contingency operations.

PRINCIPLES FOR INSTITUTIONALIZING CONTRACTOR SUPPORT

Using contractor support on the battlefield involves an element of risk, but certain principles can provide a framework for developing doctrine for contractor support to military operations.⁴²

- Contractors augment Army capabilities and provide an expanded array of options for meeting support requirements, but they do not replace force structure.
- Subject to mission, enemy, terrain, troops, time available, and civilian considerations (METT-TC), contractors may deploy throughout the area of operations (AO) under all types of conditions. In an echeloned theater, contractors would generally be assigned to duties at echelons above division (EAD); but, in actuality, they may be assigned throughout the theater. In light of new technologies and asymmetric threats, the real and forward distinctions on the battlefield have become blurred.
- Commanders are legally responsible for protecting contractors in their AO. They also must provide support for them.

- Contractors must have sufficient personnel available with the right skill sets to meet potential sustained requirements, and that support must be integrated into the overall support plan. Commanders must establish contingency plans in the event contractors fail to perform.
- Contractor support to the military should be relatively seamless. It should not place additional burdens on soldiers across the spectrum of support provided, specifically in the linkage between Army and contractor automated systems.
- The Army must maintain the capability of performing required battlefield functions for critical support prior to contractors arriving in theater or in the event contractors do not deploy or cannot continue to provide services. While this is a guiding principle, the military may lack organic capability in some high demand, low density (HD/LD) technical areas; however, it is still incumbent on the commander to maintain critical support, perhaps even if it involves innovative use of contractors.
- Contractors can provide commanders flexibility on a macro level, but under certain conditions, they may actually decrease flexibility. The commander must have the flexibility to change contractor activities to meet shifting operational requirements. The contract may require modification or certain critical functions must be performed by military personnel.

MANAGING, DEPLOYING, SUSTAINING, AND PROTECTING CONTRACTORS

When contractors support military operations, they must be managed, deployed, sustained, and protected. Contractor personnel and equipment must be deployed into the AO. The efforts to institutionalize these elements are fairly recent, but the responsibility falls squarely on the commander's shoulders.

Supporting Army operations with contractors requires deploying contractor personnel and equipment into the AO. The commander must deal with habitual relationships, Time Phase Force Deployment Lists (TPFDLs), preparation for overseas replacement (POR) or movement (POM); and reception, staging, onward movement, and integration (RSO&I).⁴³

The Army does not command and control contractors as it does the military; contractors are managed through the management mechanism of a contract. A commander who wants to change a contractor's performance requirements must work through the contracting officer to change the terms and conditions of the contract, since the contractor is only required to do what is specifically stated in the contract. Accordingly, optimum management of the contractor workforce involves planning how the contractors will be affected by pre-existing circumstances

and how they will impact force projection.⁴⁴ Currently, the commander has limited authority in dealing with contractors who do not perform; his only recourse is to have the contracting officer direct a contractor to remove an employee. (Contractor personnel deployed with U.S. forces are subject to military law only during a declared war.)⁴⁵ Without sufficient authority vested in the commander, the welfare of military troops may be threatened or maintenance of critical weapons systems could be at risk.

In some contract situations where the contracts are *ad hoc* arrangements made during the predeployment or deployment process, there is no system for monitoring the contracts. Monitoring performance becomes the responsibility of the contracting officer or his representative, and if the contractor fails to perform, the only course of action available is to threaten contract modification or termination. Because of the hectic nature of deployments and the numerous tasks involved, the contracting officer is often unable to monitor contractor performance effectively until the deployment is completed and the theater matures.⁴⁶ While reliance on contractors allows the military to concentrate on its warfighting responsibilities, contractor presence on the battlefield also brings with it a host of responsibilities for the commander, many of which remain to be addressed in depth.

OTHER CONCERNS

In addition to the requirement to manage, deploy, sustain, and protect contractors, another major consideration centers on contractor impacts on the host country. The U.S. has a unique security role in building networks of alliances, trust, and economic and political stability. To that end it is imperative that the U.S. military remains sensitive to the nuances of the host country. In a number of instances, local nationals are employed as contractors, and this arrangement has specific impacts on the local economy. For example, 5,000 of the company's 5,500 workers in Kosovo are local residents, making Brown and Root the largest local employer. Local workers are paid in accordance with the host country's wages, ranging from \$1.00 to \$3.00 an hour. While this rate is low by U.S. standards, the intent is to not inflate local wages.⁴⁷ Present and future DoD contracting efforts must remain sensitive to maintaining economic stability within host nations, with particular attention paid to keeping wages in tolerance with local standards and affording equitable treatment to local national contractor personnel.

There have been significant concerns over the years that contractors supporting DoD do not receive sufficient oversight and that costs continue to spiral. Various audits have highlighted vulnerabilities and expressed concern with both the costs associated with contracting out and the services being provided. A primary concern deals with monitoring costs and the many

consequences of contracting out DoD functions. There is no clear evidence that contracting is reducing the cost of support functions; often high-cost contractors are simply replacing government employees. The Government Accounting Agency (GAO) has reported that DoD has no way of determining if savings from all of its contracting efforts are actually being achieved, and there are no formal tracking systems in place to monitor contractor costs and savings.

Another concern centers on contracting out in general and shining the light of truth on the "shadow" or contractor workforce. While the House and Senate Armed Services Committees have agreed to require a count of DoD's contractor workforce, an accurate count has not occurred to date. A preponderance of government work performed by contractors is never subject to public-private competition. This work, termed a "new start" is either given to contractors initially or started in-house and then transferred to the private sector without giving public employees a chance to compete for the work. To reduce waste, mismanagement, or even the perception of impropriety, efforts must be undertaken to institute more rigor in contractor reporting and accountability.

CONCLUSIONS

Contractor personnel have become essential to the battlefield, and they are responsible for critical functions that were previously performed by military personnel. This transition has occurred in response to force structure cuts; pressure from Congress to outsource and privatize; the need to deploy rapidly in the face of transformation, globalization, and expansion of U.S. interests abroad; and the need to optimize the "tooth to tail" ratio in light of Congressionally-mandated ceilings.

Significant benefits may be derived from reliance on contractor personnel, to include enhanced deployment capability. If transformation dictates that the military deploy quickly and decisively, contractors can provide an important advantage if that support is available within a theater and does not have to be deployed. Soldier OPTEMPO can be offset by contractor personnel, and contractors can provide HD/LD skills for which the Army can no longer afford to train personnel and maintain career progression. In many different scenarios, contractors can potentially increase combat power in force-constrained situations. When Congress or a host nation restricts uniformed end strength, contractors can perform combat service support functions, allowing soldiers to concentrate on their warfighting responsibilities.

In light of past and current trends, it appears that contractor personnel will play enhanced roles in supporting the military in the future. As weapons systems grow increasingly

complex, contractor presence on the battlefield will become even more commonplace. While doctrine has lagged behind and not kept pace with rapidly changing military requirements, it is imperative that thoughtful, comprehensive decision making be incorporated at tactical, operational, and strategic levels to mediate risk and ensure full support of all DoD systems.

THE WAY AHEAD

It is not politically viable for DoD to resist downsizing and force structure cuts in light of the public mandate for a smaller, more efficient military. As a result of ongoing Congressional pressure, DoD has already established itself as a leader in competitive outsourcing and privatization, although contracting-out decisions do not always comprehensively address risk. QDR 2001 has articulated a risk framework of mitigating force management, operational, future challenges, and institutional risk, along with a variety of management initiatives for those areas; however, this framework is general in nature and does not specifically address the contractor workforce. Incorporation of a standard, methodical risk assessment for all future contracting-out decisions, to include identification of acceptable levels of risk by function, may benefit DoD.

Contractor support must be made more mainstream in policy and doctrine, and steps must be taken to acknowledge the contractor workforce as part of the Total Force. While DoD has taken the initial steps to document contractor support in policy and doctrine, it has not truly been institutionalized. As significant as contractor support has become to military success on the battlefield, little if any mention is made of the contractor workforce in joint vision or national military strategy documents. If the contractor dilemma is to be resolved, the contractor workforce must be incorporated into DoD culture and become an acknowledged member of the DoD team, which would optimally consist of the uniformed services, including active duty, National Guard, and Reservists; the civilian workforce, and contractor personnel.

Perhaps a model to follow with regard to integrating contractor support into the DoD Total Force is to look at the progress that has been made with the Reserve components and how that was accomplished. Reductions in force structure at the end of the Cold War led to a dramatic increase in the active component's reliance on the Guard and Reserve. They have become essential elements in the national security strategy and have relieved the stress on the active force across a wide range of operations to include civil and public affairs, military police, psychological operations, transportation, and medicine.

This same transformation could be undertaken for contractor support to identify and remove all barriers, thereby creating a seamless partnership between contractors and the military. This is a long-term objective that would require a concerted effort at all levels to

produce an eventual cultural change within DoD. The senior leadership must clearly understand and endorse all of the components of the Total Force, including contractor personnel, and be committed to leveraging the inherent strengths of each component. In addition to incorporating contractor support in policy and doctrine, it must be made a part of joint vision, military strategy, and other key documents that address the Total Force. Lastly, training programs for future military leaders must address the skills, knowledges, and abilities necessary to effectively utilize contractor support as a force multiplier.

Another area that needs to be addressed in the near future—and one that could provide significant and enduring dividends for DoD—is a full and accurate accounting of DoD’s contractor workforce. The Army has taken the lead in documenting contractor support as part of an Army contractor “shadow force” study. The study’s purpose is to estimate the size of the contractor workforce within the Army, as well as identify the appropriations, units/organizations, and functions that contractors support. The overall goal is to establish a database that will capture and track contractor cost and manyear data. While the Office, Secretary of Defense has acknowledged the utility of this data, it has not undertaken such an effort, nor have the other Services.

Yet, there are many potential applications for such data. Access to this information would allow downsizing decisions to be based on total requirements (including the functions that contractors now perform for DoD), not just civilian full-time equivalents and military end-strength. The information that is currently reported to legislators and executive branch officials does not offer a full accounting of the workforce that accomplishes the full spectrum of the DoD workload. Inclusion of the contractor slice would provide a more accurate representation of DoD and has the potential to have a positive impact on future downsizing decisions that previously considered only military and DoD civilian personnel.

Truly integrating the contractor workforce into the Total Force would allow for increased flexibility and interoperability, which is a critical requirement in today’s uncertain environment. Taking the process to another level by accurately documenting and accounting for the contractor/shadow workforce would allow DoD to fully acknowledge and disclose the contractor workforce as one of its components, paving the way for a bona fide public-private partnership and an eventual culture change within DoD.

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